

# MINUTES

# A & B

**Development Committee**  
**Council Chamber, Town Hall, Lerwick**  
**Monday 1 July 2019 at 2 pm**

**Present:**

M Burgess	P Campbell
A Cooper	A Duncan
S Coutts	S Leask
A Manson	A Priest
T Smith	

**Apologies:**

None

**In Attendance (Officers):**

N Grant, Director of Development Services  
I McDiarmid, Executive Manager – Planning  
V Simpson, Executive Manager – Community Planning and Development  
S Duncan, Management Accountant  
M Hodgson, Solicitor  
L Adamson, Committee Officer

**Also in Attendance:**

R Thomson, SIC

**Chair:**

Mr Cooper, Chair of the Committee, presided.

**Circular:**

The circular calling the meeting was held as read.

The Chair ruled that in accordance with Section 43 (2) of the Local Government in Scotland Act 2003, the attendance of Councillor Burgess during the proceedings was permitted by telephone link.

**Declarations of Interest**

In referring to a meeting at Sullom Voe Terminal referred to in Appendix A to the “Development Directorate Performance Report – 2018/19”, Mr Priest said that while he had no conflict, should the conversation stray into detail of the gas and oil industry he would leave the meeting.

Mr T Smith declared an interest as a Board Member of Hjaltland Housing Association. He added however that there was nothing evident on the agenda which should require him to leave the meeting.

Mr Burgess declared an interest as a supplier of services to the Promote Shetland contract. He said that while there was no specific reference in the reports, should the discussion move into details of the contract he would withdraw from the meeting.

## **Minutes**

The Committee approved the minutes of the meeting held on 25 February 2019 on the motion of Mr Campbell, seconded by Mr Leask.

The Committee approved the minutes of the meeting held on 7 May 2019 on the motion of Mr T Smith, seconded by Mr Campbell.

### **13/19      Development Directorate Performance Report – 2018/19**

The Committee considered a report by the Director of Development Services (DV-09-19-F) that summarised the activity and performance of the Development Directorate for 2018/19, enabling Members to analyse its performance against the Directorate's Service objectives and the Corporate Plan outcomes.

In introducing the report, the Director of Development Services highlighted a number of the directorate achievements during 2018/19 as set out in Section 4.2. He reported on the progress made on community empowerment, with significant joint working with partners, including the launch of the Shetland Partnership Plan in August 2018. He provided an update on the College Merger position, the North Isles Fibre Network and reported on progress being made on developing the young workforce. He advised that housing development was however a big issue, referring to the target for 100 new builds per year, at a ratio of 50 private and 50 affordable housing. In that regard he reported that for last year there had been 62 new builds and only 16 of these had been affordable housing, which he acknowledged was well short of the target. In referring to the current 5 year funded plan to build 316 new affordable homes in the next 5 years, he said that while workshops have been held with developers in Shetland to achieve the increased number of house builds, there was a need for improved co-ordination of activity between developers, the community, consultation and processes.

The Director of Development Services referred Members to Appendix F of the report, which set out the projected revenue outturn position for the Directorate, highlighting the significant overspend in 2018/19. He explained that the main element related to the pension cessation costs with the merger of the tertiary sector in Shetland, to be paid by the Council at the point of transfer, and on delays with the merger project. He advised that there were no significant variances in Economic Development, Housing, Planning or Community Planning, and for Transport Planning the most significant related to the spending on outline business cases being prepared.

In response to questions, the Director of Development Services advised on the work taking place with local industries to understand where there may be opportunities as a result of Brexit, and also to mitigate challenges that may be faced, for example, to get products to market. He reported that the Council has been asked for early consultation on the Shared Prosperity Fund, which will replace the EU Structural Fund after Brexit, however no detail has been given on the structure or timing commitments. He advised that steps are now being taken to close off European funding projects and acknowledged the likelihood of an interval of possibly a year before new funding opportunities are in place, which he said could result in the requirement for additional funding from the Council.

In response to a question, the Director of Development Services provided an update on the College merger project. He acknowledged that while the timescale was tight, the focus at this time was on the vesting date of 6 January 2020.

In response to a question, the Director of Development Services reported that in addition to the Community Asset Transfer referred to in the report, there were another 4/5 projects being taken forward with communities at this time.

During the discussion, reference was made to the Scalloway Making Places Project where clarity was sought on how the breadth of community opinion and priorities for the community was to integrate with the next Local Development Plan (LDP). The Director of Development Services confirmed that the Place Plan projects will be part of the LDP going forward. In terms of next steps, he referred to the report on Town Centre Capital Grant Funding being presented to the next meeting of Policy and Resources Committee, which was an opportunity to put forward projects for funding that were generated as part of the Recreate Scalloway project. The Executive Manager – Planning advised on progress with the new Planning Act, and on the focus for communities to decide how their community will develop and evolve. He commended the high level of community engagement and involvement throughout the Recreate Scalloway Project, which he said would proceed to formal consultation as Supplementary Guidance to guide and support developments in Scalloway. Mr Burgess commended the officers within Development, Planning and Community Development Services, for their involvement and commitment to the Scalloway Making Places Project.

In referring to Project DP204, Mr Burgess said that he welcomed the award of Government funding to develop the fibre network in Yell, Unst and Fetlar. In response to a question, the Director of Development Services advised that reference to “risk of failure to meet target” related solely to the timescale to complete the works by the end of the Financial Year.

In response to a question relating to Project DP208, “The Council’s Future role in the port of Sullom Voe”, it was confirmed that there were no proposals at this time to repurpose any of the jetties at the Terminal.

In referring to Section 4.1 of the report, the Chair acknowledged that while it could be difficult to measure progress on the Directorate’s objective to “Enable a 10 year plan to attract people to Shetland to live, work, study and invest in Shetland”, he questioned the means to prioritise the objective during the next 8 years. The Director of Development Services advised on areas where progress has been made and targets met, but suggested that some targets could be reviewed going forward. He also advised on proposals to co-ordinate efforts across community partners to talent attraction, which he advised had been identified as an improvement project in the Shetland Partnership Plan. In referring to the two major employers in the North Mainland of Shetland, the Chair advised on their use of itinerant workers, which he said brings little benefit to the local economy. In that regard, he suggested the need to liaise with the employers to determine the inhibitors for workers and their families to relocate to Shetland.

During debate, Mr Campbell provided the Committee with an update on progress with the College Merger project.

The Chair commended the achievements of the Development Department last year which he said was credit to the Director of Development Services. He advised

however on his disappointment at the low number of social housing completions during 2018/19, and stressed that more housing units were required to attract people to live, work and settle in Shetland.

**Decision:**

The Committee **NOTED** the report.

14/19 **Development Services Directorate Plan 2019-2022**

The Committee considered a report by the Director of Development Services (DV-10-19-F), which set out the strategic action to be taken to deliver the Council's Corporate Plan, and Medium Term Financial Plan.

In introducing the report, the Director of Development Services advised on the focus of the Directorate Plan to achieve the priority outcomes of Participation, People, Place and Money within the Shetland Partnership Plan (SPP), with 'Place' being the main focus for the Development Directorate to attract people to live, work, study and invest in Shetland. He outlined a number of key projects being progressed this year, including to increase the supply of housing, the Strategic Housing Investment Plan and Local Development Plan, High Speed Broadband and talent attraction, which he said was one of the key delivery projects in the SPP. In referring to the need to ensure projects are properly resourced, the Director of Development Services advised that a report was being prepared on how the Council is to progress the programme of Service Redesign and Business Transformation projects. He also advised that a report setting out a fresh approach to performance management was being presented to Policy and Resources Committee on 2 July 2019.

In advising on his concern at the lack of progress with housing development at the Stanley Hill following approval of the masterplan last year, the Chair referred to the recent approval by the Council of the Knab Masterplan and sought an update on progress being made on the project. He also referred to the objective to grow Shetland's population, and to be able to attract professionals into quality accommodation, and advised on the importance for the Knab Site to be developed as quickly as possible. The Director of Development Services reported that the Project Board was being re-established to scope activity and identify resources to progress redevelopment of the site. He acknowledged the significance of this major project to the community which he said would be a priority going forward. In responding to further comments, the Director of Development Services said that an update on the Knab Site would be presented at the next meeting cycle, including a Gantt Chart setting out the activities, timescales and resources to progress the entire project.

In response to a question, the Executive Manager – Planning confirmed that community led Place Plans, when complete, would be adopted as non-statutory planning guidance and taken into account when assessing proposals for communities.

Referring to the action to "Establish the business case for the provision of Key Worker accommodation in Shetland", which formed part of the objective to increase the supply of housing across all tenures, Mr Burgess suggested that it could be worthwhile to find out the private sector accommodation provision in Shetland currently cater for the itinerant worker market to get a better understanding of the

private rental market and its future prospects. In referring to the anecdotal information, the Director of Development Services acknowledged that a piece of work may be beneficial to better inform in that area.

During the discussion, reference was made to the number of projects being taken forward by the Development Directorate, where some were significant projects, and concern was expressed in terms of resources for delivery of the projects. Comment was also made that delivery of some Council projects were reliant on external parties in terms of funding and progress being made. In that regard, reference was made to the Scottish Government's fairer funding package, and the impacts not only on the northern isles, but across Shetland. The Director of Development Services advised on the enormity of the situation, and the impact on inter island ferry provision with the existing funding from the Scottish Government, which he said would bear little resemblance to the current service.

In response to a suggestion that the fuel poverty situation in Shetland should be referenced at the 'Money' section of the Directorate Plan, the Director of Development Services confirmed he would action that update. On the motion of Mr Cooper, seconded by Mr T Smith, the Committee approved the recommendation in the report, subject to reference being made to the fuel poverty situation in Shetland at the 'Money' section.

**Decision:**

The Committee **RESOLVED** to endorse the Directorate Plan, subject to reference being made to the fuel poverty situation in Shetland at the 'Money' section, recognising that the Director of Development Services will make any adjustments required to ensure it is fully aligned to the Council's Corporate Plan.

The meeting concluded at 3.24 pm.

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Chair